Distr.
GENERAL

IDB.27/1
5 June 2003

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Twenty-seventh session
Vienna, 26-28 August 2003
Item 2 of the provisional agenda

PROVISIONAL AGENDA

1. Election of officers.
2. Adoption of the agenda.
3. Annual report of the Director-General for 2002 on the activities of the Organization.
4. Report of the Programme and Budget Committee:
   (a) Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2002-2003;
   (b) Financial situation of UNIDO;
   (c) Scale of assessments for apportionment of the regular budget expenses;
   (d) Working Capital Fund for the biennium 2004-2005;
   (e) Financing of UNIDO programmes, including new initiatives for funds mobilization;
   (f) Transition to a single currency system;
   (g) Follow-up to report of the External Auditor for the biennium 2000-2001;
   (h) Appointment of an External Auditor.
5. Programme and budgets, 2004-2005.
6. Implementation of medium-term programme framework, 2002-2005, including:
   (a) Update on preparations for the biotechnology forum;
   (b) Field representation.
7. Medium-term programme framework, 2004-2007.
8. International Centre for Science and High Technology.
9. Activities of the Joint Inspection Unit.
10. Personnel matters.
11. Consultations with non-Member States.
12. Matters related to intergovernmental, non-governmental, governmental and other organizations.
13. Preparations for the tenth session of the General Conference.
14. Provisional agenda and date of the twenty-eighth session.
15. Adoption of the report.

For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.

V.03-84880 (E)

Distr.: 16 June 2003

Distr.
GENERAL

IDB.27/1/Add.1
13 June 2003

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Twenty-seventh session
Vienna, 26-28 August 2003
Item 2 of the provisional agenda

ANNOTATED PROVISIONAL AGENDA

Opening of the session

In accordance with rule 23.2 of the rules of procedure (UNIDO/3/Rev.1), the twenty-seventh session of the Board will be opened by the President of the twenty-sixth session, H.E. Mr. I. Horváth (Hungary).

Item 1. Election of officers

In accordance with rule 23.1 of the rules of procedure, each year, at the commencement of its first regular session, the Board shall elect from among the representatives of its members a President, three Vice-Presidents and a Rapporteur. Rule 23.3 stipulates that the offices of the President, the three Vice-Presidents and the Rapporteur shall be subject to equitable geographical rotation within a five-year cycle described in appendix A to the rules of procedure. Accordingly, for the twenty-seventh session, the President should be elected from members of the Board included in List C of Annex I to the Constitution. The three Vice-Presidents should be elected from members of the Board among respectively the African States and the Asian States in List A and among the States included in List B. The Rapporteur should be elected from among the representatives of members of the Board among the States included in List D.

Item 2. Adoption of the agenda

A provisional agenda for the twenty-seventh session, based on the provisional agenda adopted in decision IDB.26/Dec.11, is submitted to the Board for adoption in document IDB.27/1. The Board will have before it:

- Provisional agenda (IDB.27/1)
- Annotated provisional agenda (IDB.27/1/Add.1)
- List of documents (IDB.27/CRP.1)

Item 3. Annual report of the Director-General for 2002 on the activities of the Organization

In accordance with Article 11.6 of the Constitution, the Director-General is to prepare an annual report on the activities of the Organization. In its resolution GC.4/Res.2, the General Conference requested the Director-General to fully incorporate in future annual reports the programme performance report according to Board decision IDB.7/Dec.11. At the request of the Board in decision IDB.23/Dec.12, annual reports include information on operational activities for development arising from relevant United Nations General Assembly resolutions. Thus, the *Annual Report 2002* covers information on UNIDO support to the least developed countries, the emphasis on Africa, UNIDO's global forum function and cooperation within the United Nations system.

Article 9.4 (d) of the Constitution stipulates that the Board shall request members to furnish information on their activities related to the work of the Organization. In decision IDB.1/Dec.29, Member States were requested to inform the Board on their activities related to the work of the organization when reviewing

For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.

V.03-85064 (E)

Distr.: 14 July 2003

the annual report on the activities of the Organization. Member States may wish to include this information in the oral statements delivered by their representatives under this item. Such statements would be reflected in the summary records of the Board.

Item 4. Report of the Programme and Budget Committee[1]

Article 10.4 (d) of the Constitution requires that the Programme and Budget Committee "report to the Board at each regular session on all activities of the Committee and submit advice or proposals on financial matters to the Board on its own initiative". The report of the Committee on the work of its nineteenth session will be reflected in document IDB.27/12. The following subjects and documentation, dealt with by the Committee at that session, are of relevance to the work of the Board at its current session. Annotations are contained in the annotated provisional agenda of the nineteenth session of the Committee (PBC.19/1/Add.1). At that session, the Committee recommended to the Board the adoption of a number of draft decisions, as indicated in the report of the session and under the respective sub-items below.

4 (a) Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2002-2003

- Interim report of the External Auditor (IDB.27/6-PBC.19/6) (also refers to item 4 (g))
- Interim financial performance report for the biennium 2002-2003. Submitted by the Director-General (IDB.27/8-PBC.19/8)
- *Annual Report of UNIDO 2002* (including interim programme performance report for the biennium 2002-2003) (IDB.27/2-PBC.19/2 and Add.1)

4 (b) Financial situation of UNIDO

- Financial situation of UNIDO. Report by the Director-General (IDB.27/10-PBC.19/10)
- Conclusion 2003/2 of the Programme and Budget Committee

4 (c) Scale of assessments for apportionment of the regular budget expenses

- Scale of assessments for the fiscal period 2004-2005. Note by the Secretariat (IDB.27/7-PBC.19/7 and Add.1)
- Conclusion 2003/4 of the Programme and Budget Committee

4 (d) Working Capital Fund for the biennium 2004-2005

- Working Capital Fund for the biennium 2004-2005. Proposals by the Director-General (IDB.27/4-PBC.19/4)
- Conclusion 2003/5 of the Programme and Budget Committee

4 (e) Financing of UNIDO programmes, including new initiatives for funds mobilization

- Information on the mobilization of financial resources, contained in the *Annual Report 2002* (IDB.27/2, PBC.19/2, chap. V.C)

4 (f) Transition to a single currency system

- Transition to a single currency system. Report by the Director-General (IDB.27/9-PBC.19/9)
- Conclusion 2003/6 of the Programme and Budget Committee

4 (g) Follow-up to report of the External Auditor for the biennium 2000-2001

- Follow-up of the recommendations made in prior external audit reports (IDB.27/6-PBC.19/6, annex)

4 (h) Appointment of an External Auditor

- Candidatures for the appointment of an External Auditor. Report by the Director-General (IDB.27/5-PBC.19/5 and Add.1)
- Candidatures for the appointment of an External Auditor. Note by the Secretariat (IDB.27/CRP.2)

Item 5. Programme and budgets, 2004-2005

In accordance with Article 14.3 of the Constitution on the programme and budgets, the Board shall examine the proposals of the Director-General together with any recommendations of the Programme and Budget Committee and adopt the programme of work, the regular budget and the operational budget, with such modifications as it deems necessary, for submission to the Conference for consideration and approval. Such adoption shall require a two-thirds majority of the members present and voting.

The Board will have before it:

---

[1] Owing to a technical error, a sub-item entitled "Special accounts arising from decision GC.9/Dec.14" was included in document IDB.26/L.7 as adopted by the Board. However, that sub-item cannot be considered prior to 2004, and it was thus not included in the draft provisional agenda submitted in the annex to IDB.26/CRP.3, nor in the provisional for the twenty-seventh session (IDB.27/1).

- Programme and budgets, 2004-2005. Proposals of the Director-General (IDB.27/3-PBC.19/3)
- Conclusion 2003/3 of the Programme and Budget Committee

Item 6. Implementation of medium-term programme framework, 2002-2005

The General Conference at its ninth session adopted resolution GC.9/Res.2 on the medium-term programme framework, 2002-2005, and requested the Director-General to report to the tenth session, through the Board, on the implementation of that resolution. At its twenty-sixth session, the Board adopted the strategic guidelines "Towards improved UNIDO programme delivery" contained in document IDB.26/15, and requested the Director-General to take the strategic guidelines fully into account when implementing the medium-term programme framework, 2002-2005 (decision IDB.26/Dec.7).

The Board will have before it:

- Implementation of medium-term programme framework, 2002-2005. Report by the Director-General (IDB.27/17-GC.10/6)
- Status of the integrated programmes and country service frameworks. Note by the Secretariat (IDB.27/CRP.6)

6 (a) Update on preparations for the biotechnology forum

Document IDB.26/10 provided background information concerning the Global Biotechnology Forum to be convened at Concepción, Chile. Subsequently, the Board adopted decision IDB.26/Dec.8 on the subject. Updated information concerning preparations for the Forum will be provided in the following document:

- Preparations for the Global Biotechnology Forum. Note by the Secretariat (IDB.27/15)

6 (b) Field representation

UNIDO field representation has been the subject of a number of documents issued to the policy-making organs at recent sessions, the most recent of which were the *Annual Report 2002* (IDB.27/2, chap. IV.G and appendix K), IDB.24/15, IDB.24/CRP.5 and PBC.19/CRP.6. The Board will also have before it:

- Field representation. Note by the Secretariat (IDB.27/21)

Item 7. Medium-term programme framework, 2004-2007

In accordance with General Conference decision GC.2/Dec.23, and as subsequently modified in decision GC.6/Dec.10, the Director-General is requested to submit to the Board in the first year of each fiscal period, through the Programme and Budget Committee, a draft medium-term programme framework for the four years that follow the current fiscal period. Accordingly, proposals of the Director-General for the medium-term programme framework, 2004-2007, were submitted to the Board at its twenty-sixth session in document IDB.26/8-PBC.18/9.

At its twenty-sixth session, the Board adopted the strategic guidelines "Towards improved UNIDO programme delivery" contained in document IDB.26/15, and requested the Director-General to take the strategic guidelines fully into account when developing his proposals for the medium-term programme framework, 2004-2007 (decision IDB.26/Dec.7).

The Board will have before it:

- Medium-term programme framework, 2004-2007. Revised proposals of the Director-General (IDB.27/14-GC.10/5)

Item 8. International Centre for Science and High Technology

The General Conference at its ninth session, in resolution GC.9/Res.4, requested the Director-General to present to the Conference at its next session a report highlighting the synergy and relevance of activities of the International Centre for Science and High Technology (ICS) to the UNIDO work programme. The following report will be presented to the Conference through the Industrial Development Board:

- International Centre for Science and High Technology. Report by the Director-General (IDB.27/22-GC.10/7)

Item 9. Activities of the Joint Inspection Unit

In accordance with the pilot scheme of follow-up to recommendations of the Joint Inspection Unit (decision IDB.24/Dec.11), the Board will have before it the following document:

- Activities of the Joint Inspection Unit relevant to UNIDO. Report by the Director-General (IDB.27/19)

Item 10. Personnel matters

By decision IDB.1/Dec.18 the Board decided to accept the International Civil Service Commission (ICSC) statute. The Board will be informed of recent ICSC decisions and recommendations adopted by the General Assembly that are of relevance to UNIDO, as an organization in the United Nations common system.

By decision GC.1/Dec.37 the General Conference accepted the Regulations of the United Nations Joint Staff Pension Fund and established the UNIDO Staff Pension Committee. In decision GC.9/Dec.19 the Conference elected the two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2002-2003. Subsequent vacancies were filled upon the adoption of Board decision IDB.26/Dec.9. The Board may wish to recommend to the Conference at its tenth session candidates for election to the Committee for the years 2004 and 2005.

The Board will have before it:

- Personnel matters. Report by the Director-General (IDB.27/16)
- Composition of the Secretariat and personnel-related information, *Annual Report 2002* (IDB.27/2, appendix L)
- List of UNIDO staff as of 31 July 2003 (IDB.27/CRP.4)

Item 11. Consultations with non-Member States

In decision IDB.26/Dec.10, the Board, inter alia, requested the Director-General to hold close and regular informal consultations with interested Member States to assist him in his consultations with non-Member States with a view to widening the membership of the Organization and to report on the progress made at its twenty-seventh session. Thus, the Board will have before it:

- Consultations with non-member States. Progress report by the Director-General (IDB.27/20)

Item 12. Matters related to intergovernmental, non-governmental, governmental and other organizations

Guidelines regarding relationships with the organizations mentioned in Article 19.1 of the Constitution were established by the General Conference in decision GC.1/Dec.41. In accordance with those guidelines, the Director-General shall (a) present the draft texts of agreements with other organizations of the United Nations system to the Board for its approval; (b) circulate among the members of the Board information on intergovernmental and governmental organizations that have expressed the wish to enter into agreements with UNIDO and seek the approval of the Board before concluding an appropriate relationship agreement with the organizations concerned; and (c) circulate among the members of the Board information on international and national non-governmental organizations and other organizations seeking consultative status, following which the Board shall decide whether to accord consultative status to the organizations concerned in accordance with the guidelines established by the Conference.

The Board will have before it:

- Applications from non-governmental organizations for consultative status. Note by the Director-General (IDB.27/18)

Item 13. Preparations for the tenth session of the General Conference

At its ninth session, in decision GC.9/Dec.22, the General Conference decided that its tenth session should be held in Vienna from 1 to 5 December 2003. In accordance with Article 9.4 of the Constitution, the Board shall prepare the provisional agenda for the Conference. A list of agenda items for consideration by the Conference will be included as an annex to the following document:

- Preparations for the tenth session of the General Conference. Report by the Director-General (IDB.27/13)

Item 14. Provisional agenda and date of the twenty-eighth session

In accordance with rule 10.2 of the rules of procedure, the Director-General shall submit to the Board at each regular session the provisional agenda for the following regular session. A provisional agenda for the twenty-eighth session will be proposed in the following conference room paper:

- Provisional agenda and date of the twenty-eighth session. Note by the Director-General (IDB.27/CRP.5)

Item 15. Adoption of the report

In accordance with rule 71 of the rules of procedure, the draft report of the Board shall be prepared and submitted by the Rapporteur.